

REPORT TO: Executive Board

DATE: 28 January 2016

REPORTING OFFICER: Strategic Director – Community and Resources

PORTFOLIO: Environmental Services

SUBJECT: Waste Treatment Services Contract

WARD(S): Borough-wide

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide Members of the Executive Board with details of a proposed extension to Council's current contractual arrangements for the treatment of household waste.

2. RECOMMENDED: That Executive Board approve an extension of the Waste Treatment Services Contract with WSR Recycling Limited to 30th September 2016.

3. BACKGROUND

- 3.1 In accordance with Standing Order 1.10.1 (Contract Extensions), Executive Board Members shall receive details before the Council enters into an extension period for a contract where the value is likely to exceed £1,000,000.
- 3.2 This report provides Members with details of a proposed extension to the current Waste Treatment Services Contract and sets out the background to the Contract, the reasons for the proposed extension and the likely expenditure incurred as a result.

4. SUPPORTING INFORMATION

- 4.1 At their meeting of 27th February 2014, Executive Board approved the award of a Waste Treatment Services Contract to WSR Recycling Limited. The Waste Treatment Services Contract is for the provision of services to divert waste from landfill and was put in place to cover the period from April 2014 up to the commencement of the Merseyside and Halton Resource Recovery Contract (RRC); which was anticipated to commence in mid/late 2016. The Contract included an option for the Council only to extend in part or full year increments up to the actual start of the Council's waste deliveries to the RRC. The option to extend was a requirement of the successful contractor and was included to ensure that the Council maintained arrangements for the treatment of its waste whilst awaiting the operational start of the RRC.

- 4.2 The operational commencement date for the RRC has been confirmed as 1st October 2016 therefore, the Council requires that the current Waste Treatment Services Contract continues until 30th September 2016. The initial contract period expires on 19th April 2016 and as such an extension of circa 6 months from that date is required. WSR Recycling Limited has been approached and advised of the Council's position on this matter. The extension to the contract would be on the basis of no increase in existing contract prices with opportunities for a potential reduction being sought.
- 4.3 Based upon predicted tonnages of waste being sent to the contract between 20th April 2016 and 30th September 2016, the likely expenditure to be incurred during the extension period would be £1.37m, which is in line with current budgetary provision.
- 4.4 The Council's Head of Procurement has been consulted on this matter and is supportive of the proposed extension.

5.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 5.1 The financial implications are covered within the report.

6.0 POLICY IMPLICATIONS

- 6.1 There are no policy implications as a result of this report.

7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

7.1 Children and Young People in Halton

None identified.

7.2 Employment, Learning and Skills in Halton

None identified.

7.3 A Healthy Halton

None identified.

7.4 A Safer Halton

None identified.

7.5 Halton's Urban Renewal

None identified.

8.0 RISK ANALYSIS

- 8.1 Failure to extend the Contract would require the Council to undertake a procurement exercise for the provision of alternative waste treatment services. There would be a risk that the Council could fail to secure alternative arrangements and this could result in financial, operational or legal implications. The extension of the Waste Treatment Services Contract will mitigate these risks and ensure that the Council can continue to meet its statutory waste disposal authority functions. The extension will also ensure that the Council maintains competitive contract rates and avoids the risk of increased costs that may arise from alternative contractual arrangements.

9.0 EQUALITY AND DIVERSITY ISSUES

- 9.1 There are no equality and diversity issues as a result of this report.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Executive Board Report: "Waste Treatment Services Tender" 27 th February 2014	Municipal Building Widnes	Strategic Director - Community and Resources